

Paying travel costs encourages farmers to migrate for work – and the effect lasts for years

\$11.50

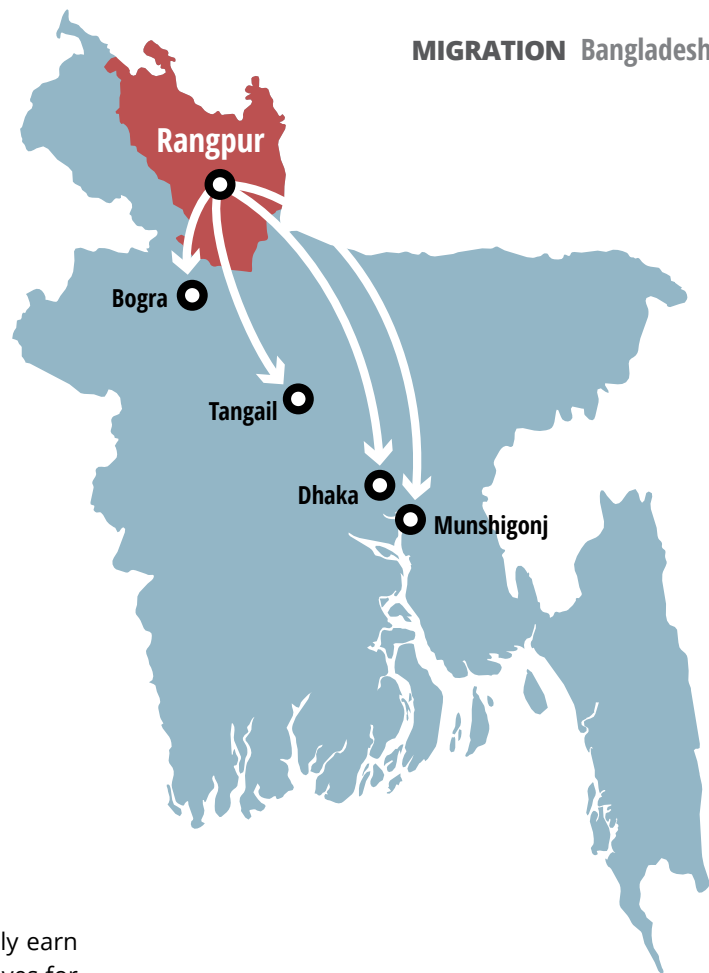
Round trip bus ticket
+ a couple days of food

\$110

Average earnings of migrants
at destination

87%

of migrants go back and work for the
same employer in following years



Encouraging the Poor to Migrate

Farm families in northern Bangladesh rarely earn enough from selling crops to support themselves for the whole year. Many continue to reside in rural areas during the “hungry season” between planting and harvest, even though income earning opportunities are available in a nearby town. To understand why and to encourage seasonal migration, IPA ran an evaluation to test different approaches. Participants were randomly selected to either receive information about the benefits of migration or to receive information and \$11.50 in cash—roughly the cost of travel and a couple days of food.

The results show that offering cash encouraged a quarter of all households to send a seasonal migrant. Those families experienced less hunger at a cost far less than what the government pays per family in food subsidies. Even more promising is the longer-term impact: the farmers received the incentive only once, and have continued to migrate for three more years without the extra nudge. Information alone did little to change migration patterns, suggesting that monetary risk is the real constraint to migration.